GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Infrastructure and Investment Department – Development of new International Greenfield Airport at Bhogapuram, Vizianagaram District on PPP model– Selection of H1 Preferred Bidder for issuance of LoA – Orders – Issued.

INFRASTRUCTURE & INVESTMENT (AIRPORTS) DEPARTMENT

G.O.Ms.No.18 Dated 30.03.2020.
Read the following:

1. From the MD &CEO, Andhra Pradesh Airports Development Corporation Limited, Letter.No.APADCL/BIA-RFP&CA/2019 /062, Dated 05.03.2019.
2. From the MD &CEO, Andhra Pradesh Airports Development Corporation Limited, Letter.No.APADCL/BIA-RFP&CA/2019 /066, Dated 12.03.2019.
3. From the MD &CEO, Andhra Pradesh Airports Development Corporation Limited, Letter.No.APADCL/BIA-RFP&CA/2019 /072, Dated 22.03.2019.
4. From the District Collector, Vizianagaram, Lr.No.2314/2015/G3, dated 08.01.2020.

*****

ORDER

Government of Andhra Pradesh intends to develop the Aviation sector in the State by establishing new Greenfield Airports to increase the air connectivity and trigger economic development in the region. In order to accomplish, it has been planned to construct State-of-the-Art Greenfield International Airport at Bhogapuram in Vizianagaram district under PPP model of Design Build Finance Operate and Transfer (DBFOT). AP Airports Development Corporation Limited (APADCL) has appointed KPMG as Transaction Advisory Consultant for assisting APADCL in carrying out bidding process. The Andhra Pradesh Airports Development Corporation Limited(APADCL) issued RFP for development of New Greenfield International Airport at Bhogapuram, Vizianagaram District in an extent of 2703.26 acres under PPP mode. In response, two bids were received. Government re-examined the issue and decided to expand the scope of Bhogapuram Airport from a mere Airport to an integrated Airport with Aerotropolis, Aviation Training Institute and Maintenance Repairing and Overhauling (MRO) in a phased manner and therefore, the Managing Director, APADCL was directed to go for retendering as per APIDE Act, 2001 with revised scope of the Project vide Government letter No.257/Airports/A2/2016-7, dated 27.06.2018.

2. Accordingly, APADCL with the assistance of KPMG carried out two stage bidding process. RFQ was released on 17.07.2018. In response 7 applications were received from (1) National Investment and infrastructure Fund and Avi Alliance GMBH (2) Reliance Infrastructure Limited (3) I Investments Limited (4) GVK Airports Holdings Limited (5) GMR Airports Limited (6) Essel Infra Projects Limited and (7) DoIT-Smart Infrastructure India Pvt. Ltd. & Zurich Airport International AG. All the seven (7) applicants were qualified and were issued RFP document along with DCA on 17.11.2018.

3. In response to the RFP & DCA documents, only three (3) bids were received on with the following Per-Passenger Fee values by respective bidders:

i. GMR Airports Ltd. – Rs.303/-
ii. DoIT Smart Infrastructure India Pvt. Ltd. – Rs.261/-
iii. GVK Airport Holdings & Mumbai International Airport Ltd. – Rs.207/-

4. In the references read above, the MD&CEO, APADCL submitted the evaluation report of the bids received as furnished by the Technical Committee and KPMG, the Transaction Advisor and recommended that the highest bidder, M/s GMR Airports Limited who has quoted the highest Per-Passenger Fee of Rs.303/- as against an internal benchmark of Rs.209/- may be awarded for the development of integrated New Greenfield International Airport at Bhogapuram with Aerotropolis, Aviation Training Institute and Maintenance Repairing and Overhauling (MRO).

5. Government after careful examination of the proposal of the MD&CEO, Andhra Pradesh Airports Development Corporation Limited, Vijayawada hereby order that

a. the LoA for development of New Greenfield International Airport at Bhogapuram, Vizianagaram district under PPP mode shall be issued to M/s GMR Airports Limited (H1) preferred bidder who has quoted the highest Per-Passenger Fee of Rs.303/- as against an internal benchmark of Rs.209/- commencing from the 10th anniversary of commercial operations date of the commissioning of Airport.

b. the land parcel to be assigned to the developer for development of New Greenfield International Airport at Bhogapuram, Vizianagaram district shall be restricted to Ac 2,203.26 which will be detailed in the Concession Agreement.

6. The MD, Andhra Pradesh Airports Development Corporation Limited is authorized to borrow an amount of Rs.280.00 crores from Financial Institutions with lesser rate of interest with Government guarantee for acquisition of balance land to an extent of Ac.362.55.

7. The MD, Andhra Pradesh Airports Development Corporation Limited shall take all necessary further action in the matter.

8. This order issues with the concurrence of Finance Department vide their U.O. No. FIN01-64030/21/2018-FMU - ENERGY – FIN, dated 30.03.2020.

R.KARIKAL VALAVEN
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The MD, Andhra Pradesh Airports Development Corporation Limited, Vijayawada.
The CEO, Andhra Pradesh Airports Development Corporation Limited, Vijayawada.

Copy to
The District Collector & Magistrate, Vizianagaram for favour of information.
The Secretary, Department of Aviation, New Delhi for favour of information.
The Chairman, Airports Authority of India, New Delhi for favour of information.
The Finance (Expenditure) Dept.,
The Revenue (Assignments) Department.
The Municipal Administration (UBS) Department.
The GA (Cabinet) Dept.,
The P.S. to C.S to Govt.,
The P.S. to Prl. Advisor to Hon'ble CM.
The P.S. to Spl. C.S to Govt., I&I Department.
(C.No.17021/53/2018-Airports)

//Forwarded :: By Order//

SECTION OFFICER